

Quarterly Market Observatory



# Solar PV Market In India Outlook Update – Q2

May 2020

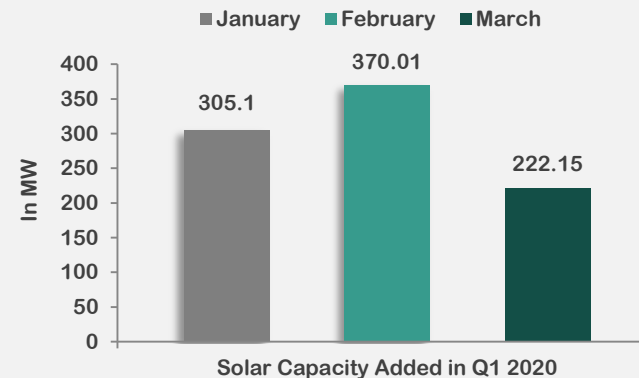


# The Eighty – 20 of Industry: What Matters?

## Leading Edge

**Indian government providing a 30-day extension beyond the lockdown period for renewable projects and allowing construction of renewable projects – a welcome move in favour of the solar industry**

MNRE has made its stance clear that they have no plans to slash its target of achieving 175 gigawatt of renewable energy capacity in the country by 2022 in the wake of the Covid-19 outbreak and the nationwide lockdowns. The government has been backing the renewable industry by providing permissions to project developers for starting construction work at their respective project sites and has also granted a 30-day extension beyond the lockdown period for renewable energy (RE) projects for completion of the renewable projects. The government has also given assurances to the players that the imports of raw material from China will also resume in a month's period which will see incoming of raw materials for building renewable energy capacity of 6-7 GW, which are currently stuck in Chinese ports. The government is trying to provide the best possible scenario to the renewable projects developers for completing the renewable projects without any difficulty which help in the growth of solar sector in such testing times.



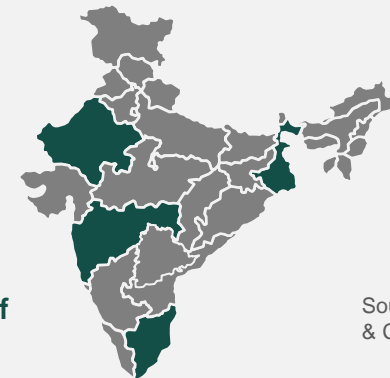
### 24%

India's capacity addition target of utility-scale solar for FY 2020 fell short by 24%

Source: eninrac consulting, CEA & Channel checks

### 53%

Of the total solar installed capacity in India comes from the southern region, Karnataka leading the pack with over 7 GW of installed capacity.



### Q1 2020

States having the highest solar installations in each region of the country during Q1 2020

Source: eninrac consulting, CEA & Channel checks



In Q1 2020 close to 66% decline in capacity additions is experienced if compared to Q4 2019 capacity additions, this decline in capacity additions is due to the nation wide lockdowns which brought the construction activity to a standstill and also hampered movement of solar equipment

## Numbers to Focus Upon – Q1 2020



### INR 1600 crore worth solar projects facing risk due to COVID-19

Nearly 3 GW of solar projects of worth INR 16,000 crore could be at risk of missing their respective scheduled commercial operation date if the impact of Coronavirus on trade with China prolongs



### SECI 1200 MW auction received good response from bidders

SECI 1200 MW auction received good response from bidders due to the inclusion of cost pass on clause. SB Energy, AMP Energy, Renew Power and French state-run power major EDF won 600 MW, 100 MW, 200 MW and 300 MW respectively.

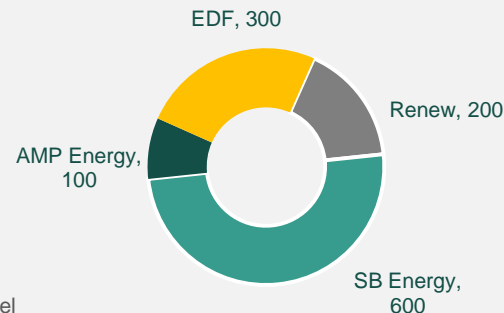
Source: eninrac consulting, SECI & Channel checks

## Industry Activity & Corporate Strategy



### KKR Infra Fund to buy solar assets worth USD 200 Million from SP Group

KKR has agreed to buy 5 solar assets of 317 MW from the cash strapped Shapoorji Pallonji Group for USD 200 million. The divestment will help the SP group in its deleveraging exercise. KKR Infra made its first investment in May via a USD 400 million deal to take control of India Grid Trust (IndiGrid), the infrastructure investment trust of Sterlite Power Transmission.



Softbank-backed SB Energy, AMP Energy and French state-run power major EDF won 600 MW, 100 MW and 300 MW, respectively, at a tariff of Rs 2.50 per unit, while Renew Power won 200 MW at Rs 2.51 per unit.

## Deployment Trends - Projects

### 01 Avaada Energy bags 2,000 MW solar power project

Avaada Energy has bagged a 2,000 Megawatt solar power project auctioned by hydro power major NHPC Ltd.

### 02 Vikram Solar bags 300-MW solar project

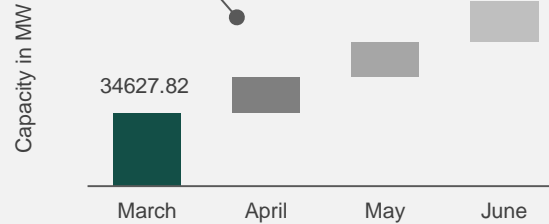
Vikram Solar has bagged a 300-megawatt (MW) solar plant project for INR 1,750 crore from National Thermal Power Corporation Limited (NTPC) under the CPSU-II scheme.

### 03 Kilaj Solar commissions 50 MW solar plant

Adani Green Energy arm Kilaj Solar (Maharashtra) Pvt Ltd has commissioned 50 MW solar power project



Capacity likely to be added in Q2 2020



Source: eninrac consulting, CEA & Channel checks

## This Quarter – Q2 CY 2020



In Q2 CY 2020 the overall capacity additions will see a rise in comparison to the capacity additions in Q1 2020 because of the government allowing the construction work of solar power plants to resume during nationwide lockdown.



### Key Investments – Q2 2020

- TOTAL announced that it has invested USD 490 million in a joint venture with Adani Green Energy that will host 2.1 gigawatts of operational solar power projects
- MYSUN Delhi-based technology platform for rooftop solar energy solutions, has raised INR 320 million (~USD 4.2 million) from its existing investors in a structured equity deal
- KKR Infra Fund to invest USD 200 Million to buy 5 solar assets of 317 MW



### Key Trends – Solar PV Market in India Q2 2020

- In a bid to minimise the impact of COVID-19 pandemic on the heavily import-dependent domestic solar industry, the Ministry of New and Renewable Energy (MNRE) has asked state and port authorities to identify land sites suitable for renewable energy manufacturing and export services hubs.
- Government is pushing for transmission projects which will help in renewable power evacuation so, state-owned shadow banking firm REC Ltd board has approved a proposal to incorporate seven power transmission projects which would facilitate evacuation of renewable energy. These projects will evacuate clean energy from Maharashtra, Madhya Pradesh, Karnataka and Rajasthan thus, encouraging solar project developers for developing solar projects in any part of the country.



### Key Signpost – Positive Policy and Regulatory backing a growth enabler for solar PV market in India

The Ministry of Home Affairs has allowed the construction of renewable energy projects in its revised guidelines regarding lockdown measures to be taken by ministries and departments in a bid to contain the COVID-19 epidemic in the country. The government's step to allow resuming the construction of renewable energy projects is a welcome move in favour of the renewable industry. The step taken by the government will help the solar capacity additions to rise in Q2 2020 which had experienced a slump in the Q1 2020 due to the nationwide lockdowns which led to construction works to completely stop at the power plants site.



## Contents & Coverage – Q2 2020

---

### 01 This Quarter

---

The section shall reflect upon the major trigger points for solar PV sector in India including investments, project developments, policy & regulatory interface, M&A etc.

### 04 Numbers to Learn

---

All solar capacity additions with a split on region wise, state wise & ownership wise break up shall be included. Moreover, upcoming projects shall be tracked as well

### 07 Deployment Trends

---

The pace of deployment of projects at central, state and private company levels covering issues like investments & project management shall form part of this section

### 02 Key Features

---

Key features shall cover the major strengths and development map that the solar industry has shown over the quarter

### 05 The Eighty - 20 of Industry – What Matters?

---

In this section the major factors which are acting as the growth catalysts / barriers in the Indian solar PV segment are highlighted inclusive of policies, regulations etc.

### 08 Technology & Price Trends

---

Capture of all the latest technology implementation, tie-ups with entire price benchmarks w.r.t state of art shall be the focus of this segment

## Solar PV Market in India Outlook – Update Q2 - 2020

---

### 03 Leading Edge

---

The current affairs leading business impacts on solar PV sector with insightful data analytics & our exclusive “Knowledge Grid” feeds covered in the section. Our analyst’s viewpoints with sharp edged objectives shall be central to the section

### 06 Key Signposts

---

The business factors which shall govern the course of coming quarters of business and the industry response to the changes shall be the focus area of this segment

### 09 Industry Activities & Corporate Strategies

---

All the industry order track & merger’s and acquisition activities shall be tracked. Fresh investments in transmission sector as per player’s shall also be tracked in this section



## Must Buy For

---

- Central Power Generation Companies
- State Power Generation Companies
- Power Distribution Companies
- Independent Power Producers
- State Electricity Boards
- Project Developers
- EPC Contractors
- Original Equipment Manufacturers
- Renewable Power Developers
- Renewable Developing Agencies
- Government Agencies
- Research firms/ Institutes
- Project Consultants
- Industry Associations / Technical Consulting Group



## For Queries

---

**Research** : Write to: [connect@eninrac.com](mailto:connect@eninrac.com)  
and alternatively you may reach our  
consultant at [abhay.pathania@eninrac.com](mailto:abhay.pathania@eninrac.com)

**Sales**: Write to [sales@eninrac.com](mailto:sales@eninrac.com) and  
alternatively you may reach our  
representative at [nivi.bakhru@eninrac.com](mailto:nivi.bakhru@eninrac.com)

**Please call at +91 120 – 4147 000 for any  
other queries**

## Solar PV Market in India Outlook – Update Q2 - 2020

---



## Companies Mentioned

---

- ACME
- Renew
- Amplus Solar
- Azzure Power
- Tata Power
- UPC Renewables
- Avaada Energy
- EESL
- NTPC
- SECI
- SB Energy
- AMP Energy
- Hero Future
- Greenko
- Adani
- Sprng Energy



The life of a man consists not in seeing visions and in dreaming dreams, but in active charity and in willing service

**- Henry Wadsworth Longfellow**

**Become a Client | Contact Us |**



**vantedge<sup>+</sup>**

**MRAC<sup>+</sup>**

**OCORE<sup>+</sup>**

**Contact – Head Office**

Address : 5th floor, Caddie Commercial Tower, Aerocity (DIAL), New Delhi - 110037

**Contact – NCR Office**

Address : 7<sup>th</sup> Floor, I-Thum Towers, Noida, NCR Region, Uttar Pradesh, India

**Contact – Mumbai Office**

Address : 4<sup>th</sup> Floor Duru House, Juhu, Opposite JW Marriott, Mumbai, Maharashtra



[connect@eninrac.com](mailto:connect@eninrac.com)



+91 120 4147 000



[www.eninrac.com](http://www.eninrac.com)